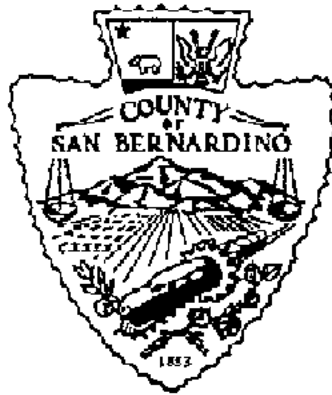


# **REQUEST FOR QUALIFICATIONS AFFORDABLE HOUSING DEVELOPERS CONSULTING SERVICES**



**County of San Bernardino  
Redevelopment Agency  
May 2003**

## **REQUEST FOR QUALIFICATIONS**

### **Redevelopment Agency of the County of San Bernardino Proposed Affordable Housing Development Second and Fourth Supervisorial Districts**

#### **I. INTRODUCTION**

The Redevelopment Agency of the County of San Bernardino (the Agency) is soliciting responses to this Request for Qualifications (RFQ) from experienced, financially creative, and capable for-profit and non-profit developers or development teams to provide development of quality affordable housing as required under California Redevelopment Law. The Agency's primary objective is to develop high quality affordable housing within the unincorporated County areas located within the Second and Fourth Supervisorial Districts (see attached map) with financial assistance from its redevelopment tax increment housing set-aside funds. It is expected that more than one developer/development team will be selected during the coming years, as increment funds are available. The Agency is seeking responses from those firms who can demonstrate the ability to develop projects using a variety of financial structures, and firms that create viable quality projects with limited public funding. The primary goal of this RFQ is not to solicit specific project proposals. Rather, it is designed to identify experienced developers that are capable of functioning "outside the box" architecturally and financially.

Prospective developers are invited to submit sufficient information regarding their development expertise and financial capability to enable the Agency to develop a list of qualified developers. From this list several developers will be selected to propose specific projects in response to a need identified by the Agency. Based on those project-specific proposals, the Agency will enter into exclusive negotiating agreements for a sixty-day period of time in order to negotiate a Development & Disposition Agreement (DDA) or an Owner Participation Agreement (OPA) with a developer/development team. During that time, the developer will work with Agency staff to develop a final project that meets the goals of the Agency, the County, the community, and the developer.

#### **II. DEVELOPMENT GUIDELINES**

##### **A. Scope of Development**

The Agency is not imposing development guidelines in order to encourage developer creativity. However, the Agency does envision the projects ultimately selected will include the following elements:

- Single or Multi-family housing.
- Owner-occupied and rental units.
- Flexible building design and type.

- A mix of units including three, four, and five bedroom units.

#### **B. Affordability Requirements**

The Agency is attempting to provide affordable housing for very low- and low-income residents through a partnership with the County's Redevelopment Agency. Not less than 15% of the total units developed are to be affordable, of which 40% must be affordable for low and very-low income households. Affordability covenants will be required based on California Redevelopment Law. Current income ranges are from Very Low Income (approximately \$25,000 and less for a family of four) to Low Income (approximately \$40,000 and less for a family of four). Additional allowance will be made for larger families. Further information will be provided regarding affordability requirements at the time specific proposals are sought.

### **III. PROCESS**

The Agency is widely issuing this RFQ to attract developers and organizations that may be interested in competing for the opportunity to develop quality affordable housing in the unincorporated areas of the County, initially focusing on areas adjacent to the San Sevaire Redevelopment Project Area. The Agency will assemble a selection committee from County agencies to review all submissions and to create a list of qualified developers. At this RFQ phase, the important items for submission are evidence of experience and financial capability. The objective is to keep the cost of the developer's response to a minimum. Based on the proposal received, the Agency will separately select developer/development teams to respond to specific proposals for housing projects. Those proposals will provide greater detail on the type of project requested by the Agency.

### **IV. FINANCING ASSISTANCE**

The Agency's financial contribution to the project will be in a manner consistent with high quality design, affordability, and construction. The form of the financial assistance, amounts, and other information from the developer will be required with responses to the specific proposals for housing development.

### **V. ROLE OF DEVELOPERS**

The Agency seeks experienced and capable developers or development teams who will have the following roles in developing projects with the Agency:

- The developer will work in collaboration with the Agency on aspects of development, design, financing, and construction of the project.

- The developer will assemble all members of the development team as necessary. Key members of the development team, including the designer, general contractor, property and management firm, and others may be subject to Agency review and approval.
- The selected developer will conduct all studies necessary to secure entitlements and environmental clearances from the County of San Bernardino.
- The developer shall comply with all applicable local, State, and Federal environmental clearance conditions. All such costs for entitlements and permits, including required public improvements, and the extension or upgrading of utilities, shall be borne by the developer.
- The developer will secure all financing necessary to acquire, construct, and operate the project.
- The developer will be responsible for ensuring the enforcement of affordability covenants during their term. The Agency may require an independent audit to monitor the affordability requirements.

## **VI. ROLE OF THE AGENCY IN THE DEVELOPMENT PROCESS**

The Agency will provide assistance from its Housing Set-Aside Fund for the purpose of financing the affordable element of a viable residential development complimentary to the existing neighborhood. The Agency will negotiate with the successful developers concerning specific elements of the deal, including but not limited to, providing financial assistance to low-income homebuyers. The Agency is open to innovative financial arrangements suggested by the developer/development teams.

The Agency will enter into a DDA or OPA with a developer/development team for development of a specific project. The Agency will act in good faith, and in a timely manner, to finalize any agreements and approve a final development plan to be submitted for entitlements.

## **VII. SUBMITTAL REQUIREMENTS**

Developers and development teams interested in responding to this RFQ are required to submit five (5) sets of materials containing the following information:

### **A. Developer Qualifications**

#### **1) Developer Entity**

- a. Describe the legal entity that would enter into negotiations and contract with the Agency, including all joint venture and limited partners to the

extent known at this time. If the entity is a partnership, identify the percentage interest of each partner.

- b. Name of the principal in charge who will be executing documents for the development entity and basis of his/her authority.
- c. Identify members of the project team, including key consultants such as proposed designers, engineers, environmental consultants, and legal counsel who would be involved with a specific development project. Specify the relevant experience of the team members and key consultants.
- d. Enclose resumes of key individuals involved in implementing projects.

## 2) Developer Experience

- a. Provide a list of residential projects currently under planning or development, particularly affordable housing projects involving a public/private partnership.
- b. Describe a maximum of three (3) projects, within the past five (5) years, including the following specific information.
  - i. Project name, location, housing type, and number of units.
  - ii. Provide photographs and a brief description of these projects, including date of completion, location, size, unit size/mix, affordability levels, detailed development budget, absorption period, and specific role of the developer.
- c. Select one of the three projects and provide the following profile.
  - i. Final sources and uses statement. Identify the specific sources of debt and equity used to finance the project. Provide the terms of repayment for all private and public loans.
  - ii. Initial and final construction budgets and the degree to which each project was completed on time and on budget. For those projects that were not completed on time and on budget, describe the reasons for time and or cost overruns.
  - iii. The public agency the developer partnered with.
- d. Describe previous experience working with a Redevelopment Agency within the past ten (10) years.

**B. Financial Capability**

Provide the past two (2) annual audited financial statements which indicate the developer's/development team's financial stability and capacity.

**C. Development Locations**

Indicate areas of San Bernardino County in which prior or current development projects have occurred.

**VIII. EVALUATION CRITERIA.**

The Agency will use the following criteria in evaluating and selecting qualified developers or development teams.

**A. Development Team Characteristics**

- 1) The developer's experience in providing affordable housing for very low- and low-income households. This will include the physical and financial size and scope of projects.
- 2) Demonstrated ability to complete housing projects on time and on budget.
- 3) Current organizational capacity to perform.
- 4) Qualifications of the development team and the key individuals proposed for involvement in the development.
- 5) The developer's experience in working with the public sector in public/private real estate development projects.
- 6) Unique opportunities resulting from formation of the proposed development team.

**B. Financial Capability**

- 1) Developer's proven ability to secure financing for development.
- 2) Financial strength of the development entity as documented by financial statements.

### C. Previous Project Planning and Design Experience

- 1) Demonstrated ability to develop projects that incorporate affordable housing and are an asset to neighboring areas.
- 2) Demonstrated experience in planning and designing projects sensitive to community concerns.
- 3) The quality of the urban design aspect of the developer's previous projects.

## IX. SELECTION PROCESS

Agency staff will carefully review all responses to the RFQ and may meet with all or some of the respondents. During the review period, Agency staff will analyze qualifications and may request additional information. After evaluating all responses, Agency staff will select developers/development teams for inclusion on a “qualification list” to receive specific project proposals. The Agency reserves the right to qualify firms solely on the basis of the written proposal. Placements on a qualification list in no way obligates the Agency to undertake any projects or even solicit specific development projects.

This RFQ and the selection process shall in no way be deemed to create a binding contract or agreement of any kind between the Agency and respondent.

All legal rights and obligations between the successful respondent(s), if any, and the Agency will come into existence only if an agreement is fully executed by the parties, and the legal rights and obligations of each party shall at that time be only those rights and obligations which are set forth in the agreement and/or any other document specifically referred to in that agreement and executed by the parties. All agreements must be approved by formal action of the Board of Directors of the Redevelopment Agency prior to execution.

Each developer/development team submitting a response to this RFQ agrees that the cost of all materials and all presentations are at the respondents' sole cost and expense. The Agency shall not, under any circumstances, be responsible for any costs or expenses incurred by a respondent in preparing a proposal. Each respondent agrees that all documentation and materials submitted with a proposal shall remain the property of the Agency.

## X. AGENCY RESERVED RIGHTS

The Agency reserves the right to request the information described herein from the developers/development teams responding to this RFQ. Failure to provide the information may result in a disqualification from the selection process and no award of contract. The Agency also reserves the right to obtain the requested information by way of a background

check performed by an investigative firm. The selected developer/development team may also be requested to provide information to clarify initial responses. Negative information provided or disclosed may result in disqualification from the selection process and no award of contract.

The selected developer/development team may be asked to disclose whether the firm, or any of its partners, principals, members, associates, or key employees (as that term is defined herein), within the past ten years, has been indicted on or had charges brought against it or them (if still pending), or convicted of any crime or offense arising directly or indirectly from the conduct of the firm's business; or whether the firm, or any of its partners, principals, members, associates, or key employees, has within the last ten years, been indicted on or had charges brought against it or them (if still pending), or convicted of any crime or offense involving financial misconduct or fraud. If the response is affirmative, the firm will be asked to describe any such indictments, or charges (and the status thereof), convictions, and the surrounding circumstances in detail.

In addition, the selected firm may be asked to disclose whether the firm, or any of its partners, principals, members, associates, or key employees, within the last ten years, has been the subject of legal proceedings as defined herein arising directly from the provision of services by the firm or those individuals. "Legal proceedings" means any civil action filed in a court of competent jurisdiction, or any matters filed by an administrative or regulatory body with jurisdiction over the firm or the individuals. If the response is affirmative, the firm will be asked to describe any such legal proceedings (and the status and disposition thereof) and the surrounding circumstances in detail.

For the purposes of this provision "key employees" includes any individuals providing service to the Agency. "Key employees" do not include clerical personnel providing services at the firm's offices or location.

## **XI. SUBMITTAL FORMAT**

Each interested developer/development team is required to submit their qualifications in a sealed envelope marked "County of San Bernardino Redevelopment Agency - Affordable Housing Development." Firms that deviate from these instructions will be considered non-responsive and will be disqualified. Responses to this RFQ should be carefully prepared and should contain recent pertinent information necessary to fully substantiate the developer/team's experience, capability, financial strength, caliber of personnel, and types of completed projects. The Proposal should be organized in the following manner:

- Cover letter summarizing the response to the RFQ signed by an authorized representative of the firm.
- The information requested in Section VII of this RFQ.
- Financial statements



Where appropriate, brochures or other reports containing the developer/development team qualifications may be included as part of the submittal package.

## **XII. SUBMITTAL REQUIREMENTS.**

- **Number of Copies:** Five (5) original copies.
- **Date Due:** June 13, 2003
- **Time Due:** 5:00 p.m.
- **Location :** San Bernardino County Redevelopment Agency  
215 North "D" Street, Suite 301  
San Bernardino, CA 92415-0041  
Attn: John Nowak, Redevelopment Administrator

It is the responsibility of the respondent to see that any information, sent via the U.S. Mail, has been received by the specified date and time. Telegraphic, telephonic, or facsimile (FAX) proposals will not be accepted.

The Redevelopment Agency of the County of San Bernardino reserves the right to reject any and all proposals, in part or in whole, to waive any and all informalities, and to disregard all non-conforming, non-responsive, or conditional proposals.

## **XIII. INQUIRIES**

All inquiries regarding this RFQ shall be directed to John Nowak, Redevelopment Administrator, County of San Bernardino Redevelopment Administrator, at (909) 381-7983.